

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:

0 2 - 2 8

2. STATE

MO

3. PROGRAM IDENTIFICATION: TITLE XIX OF
THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

10-01-2002

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42CFR 4.31 Subpart M

7. FEDERAL BUDGET IMPACT:

a. FFY 2003 - less than \$100 (one hundred thousand dollars)

b. FFY 2004 - less than \$100 (one hundred thousand dollars)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.16 - 211

9. PAGE NUMBER OF THE SUPERSEDES PLAN SECTION
OR ATTACHMENT (If Applicable):

New Material

Missouri (02-28)
approved: 01/21/03
effective: 10/01/02

10. SUBJECT OF AMENDMENT: Interagency agreement between the Department of Social Services and the Department of Mental Health related to the efficient and proper administration of the ICF/MR Medicaid program.

11. GOVERNOR'S REVIEW (Check One)

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT *ee*
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPE NAME:

Dana Katherine Martin

14. TITLE:

Director

15. DATE SUBMITTED:

12/13/02

16. RETURN TO:

Department of Social Services
Division of Medical Services
615 Howerton Court
P.O. Box 6500
Jefferson City, MO 65109

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

12/17/02

18. DATE APPROVED:

JAN 21 2003

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10/01/02

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Thomas W. Lenz

22. TITLE:

ARA for Medicaid & Children's Health

23. REMARKS:

CC:
Martin
Vadner
Waite
Co
DSG/DIATA

SPA CONTROL

Date Submitted: 12/13/02

Date Received: 12/17/02

COOPERATIVE AGREEMENT
between the
MISSOURI DEPARTMENT OF SOCIAL SERVICES
Division of Medical Services
and the
MISSOURI DEPARTMENT OF MENTAL HEALTH
Relating to the Administration of the ICF/MR Program

I. STATEMENT OF PURPOSE

This agreement represents the cooperative and mutual understanding between the Department of Social Services (DSS) and the Department of Mental Health (DMH) relating to the administration of the Intermediate Care Facilities for the Mentally Retarded (ICF/MR) program. DSS is the designated single state agency for the Medicaid/MC+ program in Missouri, and the Division of Medical Services (DMS) is the division within DSS which directly manages the Medicaid/MC+ program operations. DMH is the authorized agency responsible for furnishing or purchasing services provided in ICFs/MR. This agreement complies with the requirements of 45 CFR Part 95.507 (6).

This agreement is entered into for the purpose of designating DMH to conduct certain administrative functions necessary for the proper and efficient administration of the program that provides reimbursement through Medicaid/MC+, to individuals residing in state operated and private ICFs/MR.

II. MUTUAL OBJECTIVES

- A. Establish procedures for the cooperative administration of ICF/MR services.
- B. Provide program evaluation and coordination between DMH and DSS.
- C. Provide and purchase ICF/MR services in state and privately operated habilitation centers.
- D. Comply with the: 1964 Civil Rights Act, as amended; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Omnibus Reconciliation Act of 1981; and the Americans with Disabilities Act of 1990 and all other applicable federal and state laws which prohibit discrimination in the delivery of services on the basis of race, color, national origin, age, sex, handicap/disability, and religious beliefs.

State Plan TN # 02-28
Supersede TN # New Material

Effective Date October 1, 2002
Approval Date JAN 21 2003

III. RESPECTIVE RESPONSIBILITIES

Department of Social Services Agrees to:

- A. DSS will establish the ICF/MR rate based on cost report data provided by DMH and enter that rate into DMS provider files.
- B. Reimburse DMH the federal share of ICF/MR claims submitted to DMS for medically necessary habilitation services provided to Medicaid eligible residents in ICFs/MR.
- C. Reimburse DMH the federal share of actual and reasonable costs for allowable administrative activities provided by DMH staff. Allowable administrative functions will be documented utilizing a time accounting system, which is in accordance with the provisions of OMB circular A87 and 45 CFR parts 74 and 95. The rate of reimbursement for eligible administrative costs will be 50 percent, or 75 percent for those activities performed by skilled professional medical personnel if claimed in accordance with the provisions of 42 CFR 432.
- D. Reimbursement of the federal share shall be provided upon receipt of quarterly financial statements certified by the Department of Mental Health for eligible claims prepared in accordance with applicable federal regulations.
- E. Maintain the confidentiality of client records and all other client information obtained from DMH in accordance with all state and federal laws.
- F. Meet and consult on a regular basis with DMH on issues related to this agreement.

Department of Mental Health Agrees to:

The Department of Mental Health, recognizing the authority of the single state Medicaid/MC+ agency, will provide the necessary staff support to conduct administrative function necessary for the proper and efficient administration of the ICF/MR program on behalf of eligible recipients. The Department of Mental Health in accordance with standards required in 42 CFR, Sections 440.150 483 Subpart I. The Department of Mental Health agrees to:

- A. Provide cost report data gathered from State owned and operated ICFs/MR to DSS, so that DSS can determine the appropriate Medicaid rate.

State Plan TN # 02-28
Supersede TN # New Material

Effective Date October 1, 2002
Approval Date JAN 21 2003

- B. Provide professional staff including and non-skilled professional medical personnel as defined in 42 CFR 432.2 and 432.50 and direct support personnel necessary to fulfill the terms and conditions of this agreement.
- C. Document and ensure that Medicaid/MC+ billing are not submitted on behalf of individuals found not to be eligible for services provided in an ICF/MR.
- D. Account for the activities under this agreement in accordance with the provisions of OMB Circular A87 and 45 CFR part 74 and 95.
- E. Costs claimed for services provided by DMH will be supported by a written agreement that includes, at a minimum: 1) the specific service(s) being purchased; 2) the assurance that the Department of Mental Health shall bill the Medicaid program in accordance with procedures outlined in the Medicaid Provider Manual(s) or as specified in the agreement; 3) a reporting mechanism that complies with the format outlined by the Department of Social Services, Division of Budget and Finance (DSS/DBF) as Attachment A of this agreement; and 4) the stipulation that billing will be based on the actual cost incurred.
- F. Be responsible for any federal funds that are deferred and/or ultimately disallowed arising from a failure by DMH to comply with a federal requirement.
- G. Submit to DSS quarterly, or as requested by DSS, the certified financial statements necessary to request federal financial participation (FFP). Requests for FFP will be submitted on the standard form 269 together with a detailed billing statement for the administrative funds requested. These documents will be certified by the Executive Officer or designee of the Department of Mental Health.
- H. Maintain the confidentiality of client records and all other client information obtained from DMS in accordance with all state and federal laws.
- I. Meet and consult on a regular basis with DMS on issues related to this agreement.

IV. JOINT RESPONSIBILITIES

The Department of Social Services and the Department of Mental Health shall both:

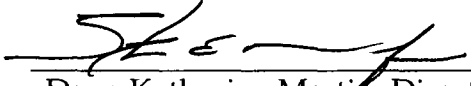
- A. Ensure all federal requirements are met
- B. Retain all records for a minimum of five years and completion of all audits and/or litigation.
- C. Maintain and share information that is consistent with principles of efficiency and responsiveness.

State Plan TN # 02-28
Supersede TN # New Material

Effective Date October 1, 2002
Approval Date JAN 21 2003

V. JOINT RESPONSIBILITIES


The effective data of this agreement shall be October 1, 2002. This agreement may be amended upon agreement of both parties or may be cancelled at any time upon agreement of both parties or by either party after giving thirty days prior notice in writing, provided, however, that reimbursement shall be made only for the period when the agreement is in full force and effective.



Dana Katherine Martin, Director
Department of Social Services

12/13/02

Date



Dorn Schuffman, Director
Department of Mental Health

12/05/02

Date

State Plan TN # 02-28
Supersede TN # New Material

Effective Date October 1, 2002
Approval Date JAN 21 2003

Documentation of Claims

This agreement identifies the basis upon which claims will be documented by the Department of Mental Health ("the Agency") for expenditures funded by Title XIX Administration for the purposes specified under this agreement.

General Provisions:

- 1) All costs must satisfy the general provisions for allowability of costs as defined in OMB Circular A-87.
- 2) All costs must satisfy the specific provisions for allowability of costs as defined by all applicable Federal program rules.
- 3) DSS shall only reimburse the allowable Federal share specified by the program.
- 4) All matching funds supporting the billing must be consistent with applicable Federal regulations governing such funds and certified by the Agency with each billing.
- 5) Any deferrals, disallowances, questioned costs, or other items not allowed for Federal Financial participation, claimed by DSS on behalf of the Agency, shall be returned either to DSS or directly to the Federal agency (as determined by DSS) by the Agency.
- 6) Billings will be based on the actual cost incurred.

Framework:

45 CFR Part 95.507 (6) "...costs..for services provided by a governmental agency outside the State agency...will be supported by a written agreement that includes, at a minimum (i) the specific service(s) being purchased, (ii) the basis upon which the billing will be made by the provider agency (e.g. time reports, number of homes inspected, etc.) and (iii) a stipulation that the billing will be based on the actual cost incurred."

Documentation Standards – Basis Upon Which the Billings Will Be Made:

Salaries and Wages: Please refer to OMB Circular A-87, Attachment B – Selected Items of Cost, Section 11 – Support of Salaries and Wages.

Check the item(s) that apply:

____ Employees will work solely on activities funded by Title XIX Administration for the purposes specified under this agreement. Employee payroll records will support the documentation requirements. The Agency agrees to periodically certify that these employees worked solely on that program for the period covered by the certification. Certifications will be prepared at least semi-annually and be maintained by the Agency for inspection by DSS or the Federal agency as they may require.

 X Employees work on multiple activities or cost objectives in addition to the activities funded by Title XIX Administration for the purposes specified under this agreement. Distribution of their salaries or wages will be supported by personnel activity reports that:

- a) reflect an after the fact distribution of the actual Title XIX Administration activity reimbursable under the purposes of this agreement of each employee, and;
- b) account for the TOTAL activity for which each employee is compensated, and;
- c) be prepared at least monthly and coincide with one or more pay periods.

and,or

Will be supported by a statistical sampling system or other substitute system.

[If the cost will be supported by a statistical sampling system or other substitute system, you must attach a detailed description of your allocation methodology. Any changes to that methodology implemented after execution of this agreement will require an amendment to this agreement.]

Expense and Equipment: Please refer to OMB Circular A-87 Attachment A, Section D, Composition of Cost, and OMB Circular A-87 Attachment B – Selected Items of Cost

Check the item(s) that apply.

_____ Direct costs: Costs of materials acquired, consumed, or expended benefit only Title XIX Administration for the purposes specified under this agreement.

 X Allocable Costs: Cost are chargeable or assignable in part to Title XIX Administration for the purposes authorized under this agreement in accordance with relative benefits received.

During each quarterly billing a query is run against SAMII for expenditures by budget organization. The E&E for each Budget Org. is apportioned to the various Medicaid programs based on the time charged by all employees assigned to that Budget Org.

[If expense and equipment items are allocable you must attach detailed description of the methodology you will utilize to assign those costs in accordance with the relative benefits received under this agreement. Any changes to that methodology implemented after execution of this agreement will require an amendment to this agreement.]

Automated Data Processing Costs: Please refer to 45 CFR Part 95 Subpart F.

Check the item(s) that apply:

_____ Costs for automated data processing equipment and services will not be included as a direct charge to Title XIX Administration for the purposes under this interagency agreement.

_____ Costs for automatic data processing equipment and services will be included as a direct charge to Title XIX Administration for the purposes under this interagency agreement. We have complied with all provisions 45 CFR Part 95, Subpart F

_____ Direct Costs: Costs for automated data processing equipment and services will be included as a direct charge for those costs that benefit only Title XIX Administration for the purposes specified under this agreement.

_____ Allocable Costs: Costs for automated data processing equipment and services will be included as chargeable or assignable in part to Title XIX Administration for the purposes authorized under this agreement in accordance with relative benefits received.

All automated data processing costs claimable under this Title XIX program are covered under a federally approved direct billing methodology and addressed in a separate agreement.

[If automated data processing costs are allocable you must attach detailed description of the methodology you will utilize to assign those costs in accordance with the relative benefits received under this agreement. Any changes to that methodology implemented after execution of this agreement will require an amendment to this agreement.]

Indirect Costs:

Check the item that applies:

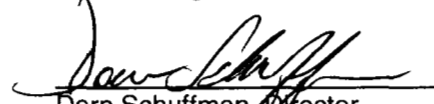
☐ State agency indirect costs will not be included.

☒ State agency indirect costs will be included. They have been approved as evidenced by our Federally Approved Indirect Cost Negotiation Agreement.

[If indirect costs are to be included, you must attach a copy of your current Federally Approved Indirect Cost Negotiation Agreement. The annual or bi-annual changes to indirect cost rates - provided they have been approved in your Federally Approved Indirect Cost Negotiation Agreement - will be allowed and will not require an amendment to this agreement, provided that a copy of the newly approved agreement is provided to the DSS Division of Budget and Finance.]


Dana Katherine Martin, Director
Department of Social Services

Date 12/13/02


Dorn Schuffman, Director
Department of Mental Health

Date 12/06/02